



**MEETING OF THE HEALTH BENEFITS COMMITTEE OF THE RETIREMENT BOARD
OF THE COUNTY EMPLOYEES' AND OFFICERS' ANNUITY AND BENEFIT FUND
OF COOK COUNTY AND EX OFFICIO FOR THE FOREST PRESERVE DISTRICT
EMPLOYEES' ANNUITY AND BENEFIT FUND OF COOK COUNTY
33 N Dearborn St, Suite 1000
Chicago, Illinois 60602**

Minutes for the September 24, 2015 Meeting

The County Employees' and Officers' Annuity and Benefit Fund of Cook County and the Forest Preserve District Employees' Annuity and Benefit Fund of Cook County Fund are herein collectively referred to as the "Fund." **All committee recommendations are preliminary in nature; as such, they are subject to review and approval by the full Retirement Board.**

Call to Order and Roll Call.

Trustee Committee Members Present: John Fitzgerald (Chair), Patrick McFadden, Diahann Goode
Brent Lewandowski, Sam Richardson, Alexis Herrera, and
Patrick Nester

Non-Committee Trustees Present:

Staff Present: Nickol Hackett, Executive Director; Staff: Brenda Deming,
Rachelle Howliet

Others Present: Jessica Streit, Chris Heppner of Segal Consulting

Public Comment.

Trustee Fitzgerald asked if anyone present would like to address the Committee. There being no public comment, the meeting continued.

1. Review and Consideration of the August 20, 2015 Health Benefits Committee Meeting Minutes.

It was moved by Trustee McFadden and seconded by Trustee Richardson to approve the minutes.

2. Administrative Report

Ms. Deming provided an update of when the previously approved specialty formulary management program would be implemented. The program is scheduled to begin for January 1, 2016. Ms. Deming also informed the Committee of a City Coalition meeting she recently attended where data on pharmacy trends for the coalition was shared.

In a comparison to all member agencies of the coalition, the Fund's trend rate is at 0% for non-specialty drugs, City Agencies is at 2.9%. The Specialty trend rate is at 19.9%, and the combined City Agencies is at 32.5% for 2015. Ms. Deming noted that the Fund has been able to implement cost management programs that other agencies have not yet adopted, which have improved our drug trend rate.

Additionally, in all categories measured, the Fund's members are more adherent to their prescription therapy, which improves outcome and thus lowers cost.

3. 2016 Projected Plan Expense Review

As requested in follow up to the health benefits committee meeting of August 20, 2015, Chris Heppner of Segal Consulting presented several medical plan design modifications and associated expense reductions to reduce the initial 12.2% medical plan increase projection. The options included increases to office copayments and pharmacy copays.

After the Trustees reviewed all presented alternatives, it was motioned by Trustee McFadden and seconded by Trustee Goode to increase the copays for 90 fills to from \$55 to \$65 on preferred brands, and from \$90 to \$100 on nonpreferred brands. No action was taken on medical plan office copays.

Subsidy for 2016

It was motioned by Trustee Lewandowski and seconded by Trustee Goode to subsidize member health benefits at 52% for annuitants and 67% for survivors for the Choice plan Medicare the Choice Plan non-Medicare and for the ChoicePlus plan with Medicare for 2016, and to subsidize the ChoicePlus plan for non-Medicare rate category at 47% for annuitants and 62% for survivors for 2016.

It was noted that under the new arrangement effective 1/1/15, enrollment in the ChoicePlus plan, which provides out-of-network benefits and is the most costly, has dropped significantly for members who are not Medicare eligible. All recommended changes would reduce the plan increase projection from 12.2% to approximately 10%.

Vision Plan Vendor

After reviewing the final offers of the three vision plan carriers, Trustee Goode motioned that the Fund select UnitedHealthcare's Spectera vision plan. Trustee Lewandowski seconded the motion. The benefit structure selected most closely matched the current benefit design, with a \$15 copayment for a vision screening and up to \$75 reimbursed for eyeglass frames, once every two years.

Spectera offered a one- time implementation credit of up to \$25,000 to be used by the Fund to offset any systems changes to eligibility file formats and cover communication expense.

Roll Call Vote:

AYES:	Fitzgerald, Herrera, Lewandowski, Nester, Richardson, Goode
NAYS:	McFadden

Vote Result: MOTION ADOPTED

4. Hearing Aids Benefit

Trustee Fitzgerald requested an update of the total amount spent on hearing aids to date in 2015. Through September, the Plan expense was at \$520,000. He had also requested that alternate plan designs be considered to restrict future expense. Ms. Deming shared that UHC provided several options, as follows: Limitation of Once per lifetime, with a benefit of \$2,500 per ear; a 50% coinsurance with replacement every three years; \$2,500 per year with a \$500 copay, and with a \$250 copay.

The Trustees discussed the value of the benefit, and suitability of alternative plans with regard to retiree needs and utilization, with differing opinions of the overall benefit. No decision was taken during the meeting on proposed alternative plan designs.

5. Adjournment

It was moved by Trustee McFadden and seconded by Trustee Herrera to adjourn the meeting.